should be made free. Attention should first be concentrated in the direction of making primary and middle school education available to every boy and girl of school-going age in the State, and then would be the time for making a request of the kind under reference.

Mr. Bhupalam R. CHANDRASEKHARAYYA explained that the very arguments advanced by the previous speaker strengthened his case and for that reason he would press the representation for favourable consideration. He agreed with Mr. Malliah that providing primary education was the first and foremost duty of the State. The number of schools should be increased for the purpose and to manage all those schools a very large number of teachers would be required. For producing the required number of teachers, more high schools were necessary and with a view to inducing a larger number of pupils to join the high schools, the fees in those schools would have to be abolished. After all, the sum of Rs 1,30,000 which the Government were now getting by way of fees was an infinitesimal part of the total revenues of the State. For these reasons, he appealed to the Government to grant the request contained in the representation.

Messrs. Y. V. MUNISWAMI IYER, N. Bhogi MALLIAH and **C. NARAYANA REDDY** said that even as matters stood, there was no dearth of men qualified to take up appointments as teachers. That being so, merely on the score of providing teachers for the primary schools, high school education need not be made free. On the other hand, it would be much more useful to concentrate attention on expansion of primary education throughout the State.

The House rose for the day at 5 p.m. to meet again at 12 of the clock on Monday, 10th June 1940.

THIRD DAY.

Monday, 10th June 1940.

The House reassembled at the Jagan Mohan Palace Pavilion on Monday, the 10th June 1940, at 12 of the clock, Mr. President (*Amin-ul-Mulk* Sir Mirza M. Ismail, K.C.I.E., O.B.E., Dewan) in the Chair.

QUESTIONS AND ANSWERS—*contd.*

Payment of Interest on Village Panchayet Deposits.

Q.—10. **Mr. Rayara KEMPANNA** (Bowringpet Taluk).—

Will the Government be pleased to state:—

(*a*) the year from which the payment of interest on the Village Panchayet Deposits in the Government Savings Bank was stopped;

(*b*) (i) the reasons for its cessation and (ii) the rate of interest that was being paid;

(*c*) whether there were no representations during the District and Taluk Conferences that payment of interest should be continued and whether Government had not promised to consider the matter;

(*d*) (i) whether they are aware of the hardship felt by the contractors as well as the Village Panchayet Chairmen at the time of withdrawal of these Village Panchayet Deposits; (ii) if so, what steps have been taken by the Government to remedy the grievance?

A.—**The SECRETARY to GOVERNMENT, LAW DEPARTMENT (Mr. H. V. Narayana Rao).**—

(*a*) From 1st July 1935.

(*b*) (i) Because, a separate fund called the Village Panchayet Fund was formed.

(ii) The usual Savings Bank interest ranging from Rs. 3-2-0 to Rs. 2-8-0 per Rs. 100 per annum.

(*c*) There were representations in some places.

(*d*) (i) No such instances have come to notice.

(ii) The member's attention is invited to Rule 120-A of the Rules issued under the Village Panchayet Act with Government Notification No. L. 3527—V.P. 43-39-4, dated 4th April 1940, regarding the investment of surplus funds of Village Panchayets in interest-bearing accounts.

Mr. Rayara KEMPANNA.—Was either the Representative Assembly or the Legislative Council consulted before the Government discontinued the payment of interest on the village panchayet deposits?

Mr. H. V. NARAYANA RAO.—The question was discussed at a session of the Legislative Council in the year 1935. As a result of this, Rule 120-A has been passed to the effect that the surplus of the village panchayet funds might be invested in interest-bearing deposits, such as the savings bank deposits or in co-operative societies.

Mr. Rayara KEMPANNA.—What is the rate of interest on deposits kept in co-operative societies or land mortgage banks?

Mr. H. V. NARAYANA RAO.—The rate is regulated by the rules framed by the respective institutions.

Mr. Rayara KEMPANNA.—What action has been taken on the resolutions sent up by the taluk and the district conferences praying that interest should continue to be paid on panchayet deposits in Government treasuries?

Mr. H. V. NARAYANA RAO.—So far as Government are aware resolutions to that effect were passed by only four conferences, *viz.*, at the Tarikere, Davangere, Malavalli and Bangalore (South) Taluk Conferences. Rule 120-A referred to above meets the cases in question.

Mr. Rayara KEMPANNA.—What is the minimum percentage of funds over and above which the village panchayets are permitted to keep in deposit?

Mr. H. V. NARAYANA RAO.—Twenty per cent.

Mr. Rayara KEMPANNA.—With reference to answer to (*d*) (i), may I know the powers that have been vested in the Amildars in respect of the administration of panchayet funds?

Mr. H. V. NARAYANA RAO.—The attention of the member is invited to the Village Panchayet Act and the rules framed thereunder.

Mr. Rayara KEMPANNA.—What is the minimum limit of the amount of a bill requiring the countersignature of the Amildar?

Mr. H. V NARAYANA RAO.—I would repeat the answer already given.

Mr. Rayara KEMPANNA.—Is it not a fact that bills for even very small amounts have to be countersigned at present?

Mr. H. V. NARAYANA RAO.—Yes.

Mr. Rayara KEMPANNA.—With a view to minimise the inconvenience to contractors and also chairmen of village panchayets, would it not be desirable to empower the chairmen to draw bills involving less than Rs. 100, with the concurrence of the members of the panchayets?

Mr. H. V. NARAYANA RAO.—Apart from the amount involved, countersignature of the Amildar is necessary so that he might verify that the procedure followed is strictly in conformity with the rules, and the object of the expenditure is legitimate.

Mr. B. SITHARAMIAH.—However, with a view to avoiding unnecessary delays, will the chairmen be empowered to draw bills up to Rs. 25 at least?

Mr. H. V. NARAYANA RAO.—The matter requires to be considered. But so far, there has been no complaint of delay in this respect.

Mr. MIR MOHAMED HUSSEIN.—Has it come to the notice of Government that the chairmen of certain village panchayets have wasted funds on unnecessary items?

Mr. CHAMAIYA.—Is it not a fact that in many panchayets, no account has been maintained even of receipts and expenditure and moneys are being

misappropriated ? If so, what action has been taken to remedy the state of affairs ?

Mr. H. V. NARAYANA RAO.—Such matters have to be brought to the notice of the Deputy Commissioners concerned.

Mr. K. L. NANJAPPA NADIG.—May not the auditors of the Comptroller's Office be asked to audit the accounts of all the panchayets ?

Mr. H. V. NARAYANA RAO.—That is being done.

Mr. K. L. NANJAPPA NADIG.—If the tax-payers of any panchayet request that the accounts of their panchayet be got audited, will the Government arrange for the audit ?

The FIRST MEMBER (Rajamantrapravina N. Madhava Rau).—If there is any reason to suspect serious irregularities, urgent investigation will be held. Otherwise the audit will be taken up in the usual course.

Mr. M. SUBBIAH.—Are certified auditors alone being asked to audit the accounts ?

Mr. N. MADHAVA RAU.—No.

Mr. M. SUBBIAH.—How many accounts have been audited so far ?

Mr. N. MADHAVA RAU.—I cannot say off-hand. Whenever local auditors go to a taluk, they audit the accounts of some selected panchayets in addition to doing other work. But it is mainly the business of revenue officers to inspect the accounts of the village panchayets at the rate of a few every month Local auditors of the Comptroller's Office cannot audit accounts of all the panchayets.

Mr. S. RAMAPPA.—Just as the accounts of the municipalities and district boards are got audited, would it not be better if the accounts of panchayets also are got audited once in three years at least, if not annually, in the interest of the panchayets themselves ?

Mr. N. MADHAVA RAU.—The suggestion will be considered.

Mr. B. L. BYANNA.—Why not every Amildar be expected to keep a record merely of the total receipts and expenditure of each panchayet under his jurisdiction ?

Mr. N. MADHAVA RAU.—That is not practicable I shall, however, place before the House certain information that has reached Government. The accounts of 25 panchayets were audited by the local staff of the Comptroller's Office, and as many as 1,018 village panchayet accounts were inspected by revenue officers. It is not possible to get the accounts of all panchayets audited by local auditors of the Comptroller's Office every year, because their audit being very elaborate, a very large staff would be required. The suggestion of Mr. Ramappa regarding periodical audit will, however, be considered. But apart from any such arrangement, it would be very desirable for the panchayets themselves to appoint audit committees to prevent irregularities as far as possible.

Mr. L. VEMA REDDY.—It is not all panchayet members that are educated enough to serve on such committees.

Administration in Jodi Villages.

Q.—11. Messrs. Ballam SRINIVASA RAO (Bowringpet Taluk) and V. VENKATASAMI CHETTY (Chickballapur Municipality).—

Will the Government be pleased to state :—

(*a*) the number of *jodi*, *khayamgutta* and *sarvamanya* villages in the State ;

(*b*) the number of *jodi* villages in which survey settlement has been introduced ;

(*c*) whether it has come to their notice that the *jodidars* are recovering the local, railway and education cesses along with land revenue both in villages in which survey settlement has been and has not been introduced ;

(*d*) whether the shanbhogs of all *jodi* villages are submitting the village account Nos. 14 and 15 every year ;

(*e*) whether there are any representatives either in the Representative Assembly or in the District Board to represent to Government the grievances of the raiyats of these *jodi* villages ?

A.—The CHIEF SECRETARY to GOVERNMENT (Rajasevaprasaktha B. T. Kesavaiengar).—

(*a*) 2,074.
(*b*) 608.
(*c*) Yes.